

**DELINQUENT PROPERTY TAX COLLECTION AMENDMENTS**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: \_\_\_\_\_

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**LONG TITLE****General Description:**

This bill modifies the Accounts Receivable Collection part.

**Highlighted Provisions:**

This bill:

- provides that the state, a governmental entity, or a local agency acting on behalf of a political subdivision may not collect a delinquent property tax from the debtor's overpayment or refund of income tax.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63A-3-302**, as last amended by Laws of Utah 2021, Chapter 49

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*Be it enacted by the Legislature of the state of Utah:*Section 1. Section **63A-3-302** is amended to read:**63A-3-302. Unpaid accounts receivable -- Political subdivision agreement with local agency.**(1) (a) Except as provided in [~~Subsection~~] Subsections (1)(b) and (c), if any account

receivable at any point has been unpaid for 90 days or more, any agency or other authority of the state, or any political subdivision responsible for collection of the account may proceed under this part to collect the delinquent amount.

(b) A governmental entity within the state that is a health care provider may not proceed under this part when the account receivable is for a medical material or service and the debtor:

(i) has made a payment arrangement with the health care provider; and

(ii) is current on payments under the payment arrangement.

(c) The state, a governmental entity within the state, or a local agency acting on behalf of a political subdivision within the state may not proceed under this part when the account receivable is for a property tax imposed under Title 59, Chapter 2, Property Tax Act.

(2) (a) A political subdivision may enter into an agreement with a local agency under which the local agency, for a reasonable fee that the political subdivision and local agency agree upon, prepares and submits the political subdivision's accounts receivable for collection as provided in this part.

(b) Notwithstanding an agreement under Subsection (2)(a), a participating political subdivision shall:

(i) establish an agreement with the division for submitting delinquent accounts receivable under this part; and

(ii) with respect to the accounts receivable that the participating political subdivision submits through a local agency for collection under this part:

(A) receive and respond to an administrative hearing requested under Section 63A-3-305; and

(B) administer an adjudicative proceeding required under Section 63A-3-306.